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4. There was apparently no doubt in the minds of the Yugoslav population as to the source of UNRA goods. There has always been some question, however, and this incidentally has always been fostered by the Government, as to whether the goods would ultimately have to be paid for. Yugoslavia owes an immeasurable debt to UNRA for her rather rapid and effective reconstruction.

The Danube

5. There is no question in the minds of the government officials of the Eastern European states that all outside interests and traffic must be excluded from the Danube. The Soviets have no intention of living up to the peace treaty provisions guaranteeing freedom of navigation on the Danube, and will presumably encourage the violation of this clause by the ex-enemy countries. At the forthcoming Danube Conference it is expected that the Eastern European proposal will be for an arrangement not unlike the German-Soviet arrangement worked out in 1940, and that all but riparian states will be completely excluded. The references made to "arrangements concerning the tributary streams to the Danube basin" in connection with conversations among the Eastern European countries apparently refer to the use of the Danube waters for irrigation.
6. A Yugoslav delegation was sent to Hungary about six months ago to work out with the Hungarians a joint operation of the drainage and irrigation canals and pumps in the Vojvodina and adjacent Hungarian area. This system was originally constructed in the days of the Austro-Hungarian Empire and, if effectively operated, would make available a good deal of additional land to Yugoslavia. Although the Yugoslav and Hungarian technicians were able to agree upon an effective arrangement, the Yugoslav negotiators were recalled and their proposals put aside by the Yugoslav Government on political grounds.

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